

GOVERNMENT OF TELANGANA
ABSTRACT

Housing Department – Adoption of price adjustment for Steel & TMT/HYSD Bars in all 2-BHK ongoing Housing Projects – Orders – Issued.

HOUSING (RH&C.A1) DEPARTMENT

G.O.Rt.No. 69

Dated: 14-05-2018

Read the following:

1. G.O.Ms.No.94, T,R&B(R.I) Dept., dt.16.04.2008.
2. G.O.Ms.No.1, Fin.(Works & Projects-F7) Dept., dt.25.02.2012.
3. G.O.Ms.No.81, T,R&B(R.I) Dept., dt.25.02.2009.
4. G.O.Ms.No.4, Housing (RH.C.A1) Dept. dt.25.06.2017.

ORDER:

In the G.Os 1st to 3rd read above, certain orders were issued according Price Adjustment for all the ongoing and future works, for the items Steel and Cement, every month, for the variation between the estimated rate and rate approved by the Government based on the recommendation of Board of Chief Engineers for each month. However, the same were not adopted in respect of the 2-BHK ongoing Housing Projects taken up by the Housing Department, as the unit cost of each house is fixed.

2. In the Collectors' Conference held on 22.04.2018, it was reported that the progress of the 2-BHK flagship program has taken a setback due to steep increase in prices of TMT/HYSD bars & Steel, especially for the period December'2017 to March'2018, ranging from 37% to 68% over the estimated rates compared to Board of Chief Engineers (BoCE) approved rates. This has lead to steep fall in the progress of the works.

3. Government after careful examination of the matter hereby permit the agreement authorities of 2-BHK program to amend the existing contract agreements allowing the price adjustment in respect of only TMT/HYSD Bars & Steel items for all the ongoing 2-BHK works where the variation between estimated rates and BoCE approved rates is more than 5%, stipulating to the other conditions as envisaged in G.O.Ms.No.94 (T,R&B) dt.16.04.2008 and G.O.Ms.No.1 Finance (Works & Projects) dt. 25.02.2012, and also subject to the following conditions: -

1. Price adjustment in respect of TMT/HYSD Bars & Steel items only shall be implemented for all the ongoing 2-BHK works. This price adjustment will not be applicable to any other materials except steel items i.e., TMT/HYSD Bars/door frames & Window frames in wherever used.
2. The price adjustment shall be applied irrespective of cost estimates and time period as per G.O.Ms.No.94 (T,R&B) dt.16.04.2008
3. Price adjustment for only TMT/HYSD Bars & Steel items shall be applied in all cases where the variation between estimated rates and BoCE approved rates is observed to be more than 5% for the months as per the G.O.Ms.No.94 (TR&B) dt.16.04.2008 and G.O.Ms.No.1 Finance (Works & Projects), 25.02.2012.
4. The price adjustment of only TMT/HYSD Bars & Steel shall be applicable within original contract period or periods extended on grounds of the department delays with valid reasons and shall not be applicable to the extensions granted on account of the contractors fault as envisaged in G.O.Ms.94 of I&CAD,dt:1.7.2003.

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5. The amount payable under this price adjustment head shall be paid to the extent of quantity of steel i.e., TMT/HYSD Bars & Steel utilized in the works executed and recorded in M.books during the respective months in which price escalation is claimed.
 6. Price adjustment is not applicable for steel procured and kept at site.
 7. Price adjustment of steel is also applicable to the steel procured for Door frames and window frames in GHMC area.
 8. The price adjustment of TMT/HYSD Bars & Steel shall not be applicable to the works for which final payments have been made.
4. The Managing Director, Telangana State Housing Corporation, Hyderabad shall take further action in the matter accordingly.
 5. This order issues with the concurrence of Finance Dept. vide their No.1670/PFS/18, Dated: 01.05.2018

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

**CHITRA RAMCHANDRAN
SPECIAL CHIEF SECRETARY TO GOVERNMENT**

To
The Managing Director,
Telangana State Housing Corporation Limited, Hyd.
The Principal Secretary to Government, MA&UD Department,
The Commissioner, GHMC, Hyderabad.
Copy:
The TR&B Department
The Finance Department
All the District collectors.
The P.S. to Secretary to Hon'ble C.M
The P.S. to Hon'ble M(Housing)
All HOD of Executive Departments (concerned 2BHK Programme)
SF/SC.

//FORWARDED :: BY ORDER//

SECTION OFFICER